

The Notice seeks input on the effectiveness of the current Lifeline/Link-Up Program. Specifically, the Notice requests input on the number and percentage of low-income households that are with and without telephones; the number and percentage of low-income households who do not receive Lifeline/Link-Up support; and the number and percentage of households that are low-income and not enrolled in federal assistance programs. In October, the Staff of the Missouri Public Service Commission (Staff) did a survey to approximate the number of Missouri customers taking advantage of Lifeline at the federal level. The Staff estimates there are approximately 29,000 Missouri customers enrolled in the federal Program. The potential Lifeline subscribers at the state

level are estimated to vary between 110,000 and 190,000 customers.¹ To use the estimated, proposed low income/disabled fund of \$ 4,800,000, Missouri anticipates approximately 114,300 customers to enroll in the state Program (114,300 customers x \$3.50 per month x 12 months).

The Notice also requests comment on whether changes to the current Lifeline/Link-Up Program are warranted to further the goal of bringing affordable rates to low-income consumers. Specifically, the Board seeks comment on eligibility criteria, application/verification, outreach and additional modifications. It is these areas of the Notice for which the MoPSC submits its Comments.

In June 2000, the MoPSC issued an Order in Case No. TO-98-329 directing parties to establish a technical working group (group) to develop a complete proposal(s) to implement the Missouri Universal Service Fund. On January 25, 2001, the group filed its Low Income/Disabled Proposal with the MoPSC. Although the MoPSC has not approved or endorsed the proposal, the proposal provides eligibility, application/verification and outreach information for consideration by the Joint Board.

Eligibility Criteria

Under Missouri rules, individuals will be eligible to receive assistance for essential local telecommunications service if they satisfy the definition of “disabled customer” or “low-income customer”. Pursuant to 4 CSR 240-31.010(3) a disabled customer is a customer who requests or receives residential essential local telecommunications service and meets the following definition of “disabled” in Section 660.100.2, RSMo 1994.

The term disabled shall mean totally and permanently disabled or blind and receiving federal social security disability benefits, federal supplemental security income benefits, veterans administration benefits, state blind pension pursuant to section 209.010 to 209.160, RSMo, state aid to blind persons pursuant to section 209.240 RSMo, or state supplemental payments pursuant to Section 208.030 RSMo. Section 660.100.2 RSMo 1994.

¹ *In the Matter of an Investigation into Various Issues Related to the Missouri Universal Service Fund*, Case No. TO-98-329, Meisenheimer Direct Testimony, Attachment 2.

Under the Missouri proposal, a disabled customer or a disabled dependent living within the same household as the customer will meet the eligibility requirements for the Program. According to 4 CSR 240-31.010(8) a low-income customer is any customer who requests or receives residential essential local telecommunications service and who has been certified by the Department of Social Services (DSS) as economically disadvantaged by participation in Medicaid, food stamps, Supplementary Security Income (SSI), federal public housing assistance or Section 8, or the Low Income Home Energy Assistance Program (LIHEAP).

Application/Verification

The Missouri rules do not give guidance as to how customers will demonstrate they meet the requirements; therefore, the group proposed a self-certification process as follows:

Customers who qualify for low income or disabled support shall certify in writing on an application designed for that purpose that they are eligible for the programs. Such application shall require the applicant to certify under penalty of perjury that the applicant receives benefits from one of the qualifying programs and identifies the program or programs from which that applicant receives benefits. On the same document, a qualifying low-income or disabled applicant must agree to notify the carrier if that consumer ceases to participate in the benefit program(s). The carriers shall rely on this self-certification to provide assistance under Lifeline/Link-Up until the consumer or the Fund Administrator advises the carrier that the consumer is no longer eligible.

If the self-certification is received within 60 days of the date of service initiation, the applicant will receive assistance from the service initiation date. Any application received after 60 days of service initiation will receive discounts only on a prospective or going-forward basis. The proposal also allows for the Fund Administrator to conduct audits of the self-certifications using records that can be lawfully made available from the administrators of qualifying programs. If the Fund Administrator determines an individual is not eligible for assistance under the Lifeline/Link-Up Program, the consumer is required to verify eligibility pursuant to administrative procedures established by the Fund Administrator and approved by the state Universal Service Board.

Outreach

The group recognized that eligible telecommunications carriers that receive federal funding for Lifeline/Link-Up are required to advertise the availability of such services and charges using media of general distribution. However, the group determined that this type of advertising might be company specific and targeted to the company's customers and service area. The group recommended a generic public information program be designed to reach all residents through a cooperative effort by the telecommunications carriers with the assistance of the Fund Administrator, the MoPSC, the Missouri Office of the Public Counsel, the Missouri Department of Social Services and community based action agencies. Informational materials will include:

- A generic brochure describing the general availability and qualifications for the Lifeline/Link-Up Program. (This brochure would be made available to various state, county, local and non-profit agencies that serve and support those individuals that would be eligible for the Program);
- Non-company specific radio and television Public Service Announcements; and,
- An annual targeted mailing, to the list of eligible households, including information about and an application for the Lifeline/Link-Up Program.

Funding for the production of brochures will be reimbursed from the Universal Service Fund.

In summary, these comments are based on a Low Income/Disabled Proposal submitted by the technical working group to the MoPSC for consideration in the Missouri Universal Service Fund Investigation, Case No. TO-98-329. Although the MoPSC has not ruled on the validity of the proposal, it appreciates the opportunity to provide these comments to the Joint Board for consideration in its review of the federal Lifeline/Link-Up Program.

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